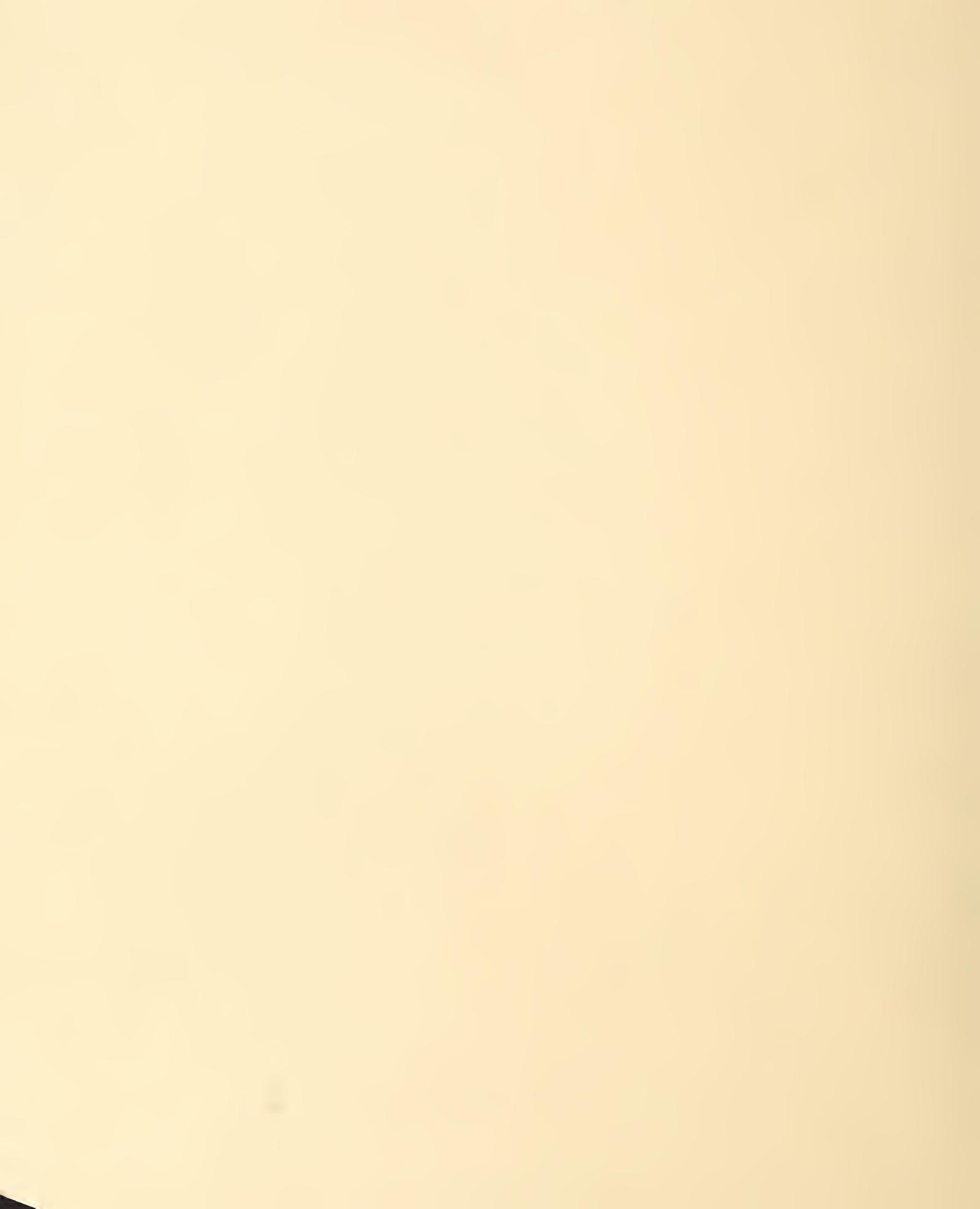


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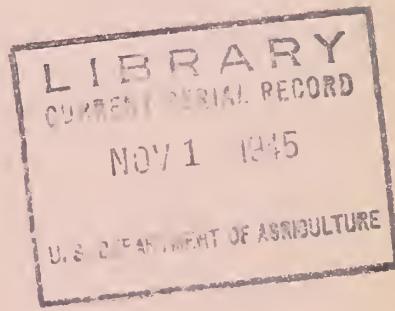
FINNACE PROCEDURE NOTICE

Date: 6/29/44

MANUAL CHANGES:

Insert Finance Letter No. 23

518 ACCOUNTING INSTRUCTIONS FOR HAWAIIAN OPERATIONS under TEP and
523 GCP in conformance with the Deputy Director's Memorandum of
561 February 4, 1944, "Financing OD-FSCC Hawaiian Operations."
562 Instructions for changes to be made in the Honolulu TEP records
563 and description of GCP records to be established in Honolulu.
Instructions to the Western Regional Finance Office necessary
to establish a coordinated procedure with respect to financing
OD-FSCC Hawaiian Operations.



John P. Murphy
John P. Murphy
Chief Fiscal Officer



ACCOUNTING INSTRUCTIONS FOR HAWAIIAN OPERATIONS

Accounting Instructions for Hawaiian Operations under TEP and GCP in conformance with Deputy Director's Memorandum of February 4, 1944, "Financing OD-FSCC Hawaiian Operations."

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II. WESTERN REGIONAL FINANCE OFFICE

A. TEP Fund Books and Records

B. Procedure for GCP

1. Shipment of Commodities
2. Certification of GCP Disbursement Vouchers

Finance Letter No. 23

Procedural Classifications 561, 562, 563, 518, 523

INTRODUCTION

Under provisions of the Deputy Director's Memorandum all TEP commodity inventories remaining in the custody of the OE representative shall be regarded as, and accounted for as part of the OD-FSCC inventory by transfer to GCP at TEP book value. It is therefore necessary to transfer all TEP inventories to GCP and prescribe a clearly defined basis for inter-fund transactions.

In the absence of a specified effective date in the memorandum referred to above February 29, 1944, is to be considered the effective date for the new procedure.

Arrangements are now being made whereby the Finance Officer at Honolulu will be authorized to certify GCP disbursements vouchers for payment by the Federal Reserve Bank in San Francisco against the account of CCC and to schedule collections for deposit at that bank to the credit of CCC.

For the time being, however, it will be necessary that GCP vouchers be certified for payment by the certifying officer in San Francisco and that GCP collections be deposited by the Finance Division in Washington.

Invoices to be certified and paid from GCP funds, (except for inter-fund transactions), should be prepared on Standard Form 1034, in an original and two memorandum copies. One memorandum copy should be stamped "Audit Copy" and will be forwarded with the original to the Western Regional Finance Office. The other copy will be stamped "Accounting Copy" for recording on the GCP records in Honolulu.

Inter-fund transactions should be effected by the use of Standard Form 1034 prepared in an original and three copies. The memorandum copies to be stamped and processed as follows:

First carbon - "Billing copy" to be recorded as accounts receivable on either GCP or TEP records as the case may be.

Second carbon - "Audit copy" necessary for the present time for any vouchers to be certified from GCP funds by the Western Regional Office.

Third carbon - "Accounting copy" for recording on the books at Honolulu.

I. FINANCE OFFICER AT HONOLULU

A. TEP Fund Books

1. Necessary Changes in Records

The new method of financing OD-FSCC Hawaiian operations will not materially change the records which must be maintained for the TEP Fund except to the following extent:

- a. The Commodity Ledger will be discontinued as a similar inventory record must be maintained under the GCP Fund and that record may be used to determine sales and cost of sales by commodity code if such a report is required.
- b. No commodities known to be short of standard measure or substantially below standard merchantable grade are to be sold by TEP as such sales are to be made directly by GCP. For this reason General Ledger account 51. Sales - Salvage may be discontinued.
- c. In certain instances additional copies of documents will be required to support inter-fund transactions. One additional copy of each TEP Confirmation and Invoice of Sale, whether used for billing purposes or as credit memoranda, should be prepared to support inter-fund vouchers as described in subsequent sections.
- d. The Program Expense Ledger will be discontinued as any program expenditures originally made from TEP funds will be recorded as charges to GCP.
- e. The General Ledger Chart of Accounts should be expanded to include:

<u>Cable Code</u>	<u>Account Symbol</u>	<u>Account Title</u>
S	10.13	Accounts Receivable - Unbilled
T	10.18	Accounts Receivable - Funds (separate account for each fund) This segregation of accounts receivable is necessary in the determination of information for the Form 3 Report.

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General and Subsidiary Ledgers
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 I.A.1.e.(Cont.)

<u>Cable Code</u>	<u>Account Symbol</u>	<u>Account Title</u>
U	40.11	Cost of Commodities Sold (by fiscal year). This account to be used to record purchases from GCP instead account 41.1 Current Costs - Program and Program Expense Account 08.1 Purchases from Continent. A new account has been prescribed because under the new procedure commodities are to be transferred at values which in theory include all applicable program expenses. It is desirable that 41.1 Current Costs - Program remain the control account for items already recorded on the Program Expense Ledger but no new items will be posted to this account except for expenses incurred prior to March 1, 1944.
V	60.12	Accounts Payable - Other
W	60.18	Accounts Payable - Inter-fund

f. General Ledger program budgetary accounts should be closed out by the following entry:

Dr. 91.31 Unliquidated Program Obligations
 91.45 Expended Appropriation - Program

Cr. 91.1 Unallotted Appropriation
 91.41 Reimbursements to Appropriation

g. At the time that the program budgetary accounts are closed it will be necessary to set up the liabilities incurred prior to February 29, which were reflected in the account 91.31, Unliquidated Program Obligations by the following entry:

Dr. 41.1 Current Costs - Program (for expenses incurred prior to February 29, 1944)

Cr. 60.12 Accounts Payable - Other

The changes prescribed in items "e", "f" and "g" were made in order that the program accounts may more nearly conform to those used by the Program Accounting Section in New York.

Unpaid liabilities for program expenses incurred subsequent to February 29, should not be considered with respect to TEP books but should be recorded on GCP records and paid from such funds as described in subsequent sections of this memorandum.

2. Procedure

- Although it is recognized that many transactions will have been recorded prior to receipt of this procedure, it appears desirable that pro forma entries be set forth herein, in order that recommendations of this office may be presented in a complete and understandable manner.

It will of course, be recognized that any transactions referred to herein which affect controlling accounts in the General Ledger must necessarily be recorded in the applicable subsidiary ledgers even though not specifically set forth under the related pro forma General Ledger entry.

Entry No. 1 - Transfer of Inventory

Under prior instructions you have already prepared a revised inventory report as of February 29, 1944. This inventory should be used to support a billing to GCP on Standard Form 1034 in the amount of \$3,715,938.91.

This billing would be recorded as follows:

General Ledger

Dr. 10.18 Accounts Receivable - Funds

Cr. 41.1 Current Costs - Program - 1944

1944 Program Expense Ledger

Reduce "Audited Vouchers" column 08.1 Purchases - continent to transfer inventory as at February 29, 1944, to GCP. Note: The inventory cannot be readily broken down by date of purchase so that a portion of the transfer could be applied to reduce 1943 fiscal year purchases. It is also assumed that allotments for administrative expenses during that fiscal year were based on total expenditures, which if reduced, may cause administrative expenditures to exceed 3 per cent to total expenditures. The transfer of the inventory cannot be considered to be a regular sale as expenditures for commodities would then be duplicated to the extent of the inventory.

Commodity Ledger

Record details of commodities transferred to GCP by red entry in the "Purchases" column.

Any undistributed credits representing adjustment on purchases, etc., which remain on the Commodity Ledger are to be disregarded at the present time. The effect of not passing such credit to GCP will be to give TEP an additional operating profit. Part of these credits amounting to approximately \$248,000 are actually applicable to cost of sales made prior to February 29, 1944. Any portion of the credits which are actually applicable to the inventory as at the date of transfer may be considered as offsetting any rental or depreciation which might be properly chargeable to GCP for the use of warehouses and equipment purchased with TEP funds prior to February 29, 1944.

Entry No. 2 -- Transfer of Program Expenses Incurred Subsequent to February 29

All paid program expenses incurred subsequent to February 29, should be transferred to GCP. The invoice on Standard Form 1034, should be properly supported by a listing of paid TEP vouchers which should have been paid by GCP. Such vouchers will be recorded on TEP books as follows:

General Ledger

Dr. 10.18 Accounts Receivable -- Funds

Cr. 41.1 Current Costs - Program - 1944

1944 Program Expense Ledger

Record in the same manner as entry No. 1, on preceding page.

Entry No. 3 - Disbursements for the Account of GCP

If possible any local commodity purchases and disbursements for program expenses should be made directly from GCP funds. The vouchers will be prepared for certification at the Western Regional Office.

Where this procedure is not practicable the original disbursement may be made from TEP funds and recorded as follows:

Dr. 10.13 Accounts Receivable - Unbilled

Cr. 03.31 Disbursing Officer's Cash - Disbursing Funds

Entry No. 4 - Billing to GCP for Disbursements Made for Their Account

At the end of each month Standard Form 1034 should be prepared as a billing to GCP to reimburse TEP for disbursements made for the account of GCP. This voucher will be recorded on TEP General Ledger as follows:

Dr. 10.18 Accounts Receivable - Unbilled-Funds

Cr. 10.13 Accounts Receivable - Unbilled

Entry No. 5 - Collections from GCP

GCP disbursement vouchers are to be paid by the Federal Reserve Bank in San Francisco, checks payable to TEP may be deposited by the Western Regional Finance Office and they will prepare a Document Transmittal, Form FEA-507, supported by a copy of the Schedule of Collections as advice to the Honolulu office of the collection. Unless procedure is changed at a subsequent date, the Honolulu TEP entry would be:

Dr. 47 Inter-Office Cash Control

Cr. 10.18 Accounts Receivable - Funds

Entry No. 6 - Commodity Purchases (contra GCP entry letter 4/27/44 Entry No. 5)

Although purchases may be said to occur at the time commodities are sold by TEP, they will be recorded only on TEP records upon receipt of a monthly GCP voucher which would be recorded as follows:

Dr. 40.11 Cost of Commodities Sold

Cr. 60.18 Accounts Payable - Funds

B. GCP Books and Records

GCP books and records will be maintained in accordance with the procedure outlined in the following paragraphs:

Administrative and Program Accounting
General and Subsidiary Ledgers
Accounting Operations
TEP and GCP Programs

1. Description of Records

It will be unnecessary to maintain journals for original entry such as are being used for recording TEP transactions. The volume of GCP transactions should be relatively small as most of the transactions involving TEP will be recorded on a monthly basis from summary billing on disbursement vouchers.

a. General Ledger

The General Ledger should be maintained on Standard Form No. 1014 with individual sheets for any of the following GCP accounts which may be required:

<u>Cable Code</u>	<u>Symbol</u>	<u>Account Title</u>
A	10.11	Accounts Receivable - Customers
B	10.12	Accounts Receivable - Others
C	10.13	Accounts Receivable - Unbilled
D	10.18	Accounts Receivable - Funds (separate account for each fund)
E	20.11	Inventory - Adjustment Account
F	20.12	Inventory - Hawaiian
G	29.12	Continental Control Account
H	40.10	Cost of Commodities Sold
I	40.21	Demurrage
J	40.23	Spoilage
K	40.24a	Storage and Handling
	40.24b	Undistributed Storage and Handling Clearing Account
L	40.25a	Transportation
	40.25b	Undistributed Transportation Clearing Account
M	40.27	Shrinkage in Volume

<u>Cable Code</u>	<u>Symbol</u>	<u>Account Title</u>
	N	50.10 Sales
	O	60.11 Accounts Payable - Vendors
	P	60.12 Accounts Payable - Others
	Q	60.18 Accounts Payable - Funds (separate account for each fund)
	R	60.21 Accrued Expense - Transportation
	S	60.22 Accrued Expense - All Other

The following accounts should be supported by detail maintained in subsidiary ledgers as indicated hereunder:

<u>General Ledger Account</u>	<u>Detail in Subsidiary Ledger</u>
Accounts Receivable	Accounts Receivable Ledger (separate ledger for each General Ledger account if volume is sufficient to justify)
20.12 Inventory - Hawaiian	Commodity Ledger
40.10 Cost of Commodities Sold	Commodity Ledger
40.23 Spoilage	Commodity Ledger and Expense Ledger
40.24 Storage and Handling	Expense Ledger
40.25 Transportation	Expense Ledger
50.10 Sales	Commodity Ledger

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General and Subsidiary Ledgers

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<u>General Ledger Account</u>	<u>Detail in Subsidiary Ledger</u>
Accounts Payable	Accounts Payable Ledger or Memorandum Voucher Register (separate record for each, General Ledger account if volume of transaction jus- tifies)

Certain of the above accounts require additional explanation as presented hereunder:

10.11 Accounts Receivable - Customers is provided to record charges for sales to the Army or Navy in which case the contra credit would be to account 50.10 Sales, and to record charges for goods that are found, before sale, to be abnormally short of standard merchantable grade. In the latter case the contra credit would be to account 40.23 Spoilage. The account should be posted daily from accounting copies of sales invoices. The subsidiary Commodity Ledger should also be posted daily as to quantity and sales value. The cost element to be charged to 40.10 Cost of Commodities Sold in the first case and to 40.23 Spoilage in the second case, and credited to 20.12 Inventory - Hawaiian will be computed and posted monthly.

10.12 Accounts Receivable - Other is provided to record miscellaneous charges for such items as claims for loss, damage, etc. from transportation companies or for services rendered when the charge is not to be made to a customer for whom an account is maintained under 10.11 Accounts Receivable - Customers. The contra credit will ordinarily be to one of the expense accounts or to 50.10 Sales, if for commodities. In the latter case, quantity and the amount of billing would also be recorded in the Commodity Ledger but cost used to relieve inventory will be computed and recorded at the end of the month.

10.13 Accounts Receivable - Unbilled will probably not be required for Hawaiian operations.

10.18 Accounts Receivable - Funds is provided to record billing to TEP on Standard Form No. 1034 for sales made through TEP during the month. If and when provision is made for the Honolulu office to account for transactions of the School Lunch Program under Section 32 Funds, charges for commodities transferred thereto will also be recorded in a separate account. The contra credit will ordinarily be to 50.10 Sales. The cost element will be computed and posted as described in other sections.

The contra account on TEP records should be in agreement with this account when monthly trial balances are prepared.

20.11 Inventory Adjustment Account is provided for use as a suspense account to record differences between the value of commodities actually received and the value of commodities shipped from the continent as indicated on the Abstract of Commodities Shipped. It is not intended that this account will be charged with the value of damaged merchandise as account

20.12 Inventory - Hawaiian would be relieved of such loss at the time of recording a transmittal to the Western Regional Finance Office supported by proper loss and damage claims to be deducted from billing of the navigation company. If, however, the Abstract of Commodities Shipped appears to be in error and it is not desirable to charge account 20.12 Inventory - Hawaiian for items not received, this account may be used pending further correspondence with the Western Regional Finance Office or the Commodity Accountability Section in Washington.

20.12 Inventory - Hawaiian is provided to reflect the cost value of all GCP commodities under control of the Office of Distribution in the Hawaiian Territory whether received from the continent or purchased by the Representative in Honolulu. Transfers from the Continent will be made at contract cost of the commodities not including other items of cost such as transportation, storage, etc. as was the case when TEP maintained its own inventory. This account will be credited at average cost values as described in other sections of this memorandum.

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Ordinarily the inventory will not be relieved of damaged or spoiled merchandise until a GCP direct sale has taken place although the inventory may be credited upon receipt of notification that the items have been segregated. In this case the contra debit will be to account 40.23 Spoilage.

If not advised of any damage or spoilage until after a sale has been made by TEP no entry will be required as the total value of the commodities will have been recorded as a charge to 40.10 Cost of Commodities Sold. In this connection see comments under account 40.23 Spoilage.

Upon the receipt of proper notification the inventor may be relieved of loss through shrinkage in volume by a contra charge to account 40.27. Ordinarily, however, the Finance Officer will not receive such advice until after a sale has been made in which case the total value of the commodities will have been recorded as a charge to 40.10 Cost of Commodities Sold. In this connection see comments under account 40.27 Shrinkage in Volume.

This account will be supported by a subsidiary Commodity Ledger reflecting various items by seven digit commodity code.

Both quantity and cost value of acquisitions should be posted from an Abstract of Commodities received or invoice in the case of a local purchase. All adjustments of acquisitions should be recorded in the debit column of General Ledger account 20.12 Inventory - Hawaiian. Credits, of course, would have to be posted in red both in the General Ledger and the subsidiary Commodity Ledger "Acquisition" columns. This procedure is desirable, although not essential with respect to the General Ledger, in order to maintain a balance between acquisitions as reflected on the Commodity Ledger with charges to General Ledger account 20.12 Inventory - Hawaiian.

Dispositions should be recorded on a daily basis on the Commodity Ledger with respect to quantities and sales value only. The average cost used to relieve the inventory of the value of dispositions will be computed and recorded on the Commodity Ledger at the close of each month. The credit element will be recorded on the General Ledger from a monthly Journal Entry prepared from the computation in the Commodity Ledger.

29.12 Continental Control Account is provided to reflect the accountability of the Hawaiian Finance Office to the Program Accounting Section in New York for the cost of commodities transferred from the Continent and for the loss or gain from operations. Any charges or credits to this account should be supported by a Document Transmittal, Form FDA-507, and otherwise handled similar to the TEP account 47 Inter-Office Cash Control. It will be noted, however, that this account is more inclusive as all transactions (not merely cash transactions) with the Program Accounting Section will be recorded through this account.

Postings may be made to this account throughout the month from various basic documents but each entry must also reflect a reference to a Document Transmittal, Form FDA-507.

40.10 Cost of Commodities Sold is a nominal account provided to reflect the average cost value of those commodities sold which are also reflected in account 50.10 Sales, whether or not such sales were made through TEP or directly. The account should not include the value of damaged or short measure merchandise, except as indicated under comments relating to account 40.23 Spoilage. If advice of spoilage or damage is received after original sale has been made, it will not be necessary to adjust this account.

Account 40.10 Cost of Commodities Sold will be posted once each month from a Journal Voucher reflecting average cost value. See comments on the Commodity Ledger.

40.21 Demurrage, it is doubtful that this account will be required with respect to Hawaiian Operations

40.23 Spoilage is a nominal account provided to reflect the net loss resulting from damage or spoilage incurred during the time merchandise is held in inventory for sale. It was noted above that this account may be charged with the average cost value of commodities spoiled or damaged from a monthly Journal Voucher prepared after receipt of proper

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notifications prior to sale. This account will also be charged for loss resulting from damage or spoilage which was determined after original sale was made but the amount thereof will be determined by the amount of credit issued to the dealer based on the charge from TEP if the commodities were originally sold by TEP rather than the average cost of the commodities. The posting media in this case will ordinarily be a TEP voucher whereby GCP is charged or a GCP sales voucher reflecting net charges to TEP for commodities transferred during the month. In either case the voucher should be supported by copies of the credit memorandum issued to the dealer.

It is contemplated that TEP will record a credit memo issued to its dealers as a charge to 10.18 Accounts Receivable Inter-fund and a credit to 10.11 Accounts Receivable - Customers without any entry to Sales Allowances or other nominal account. Sales allowances made by TEP on losses resulting from damage or spoilage (which was determined after original sale was made by TEP) are assumed to be based on an estimate of the loss which GCP would have incurred if GCP had made a direct salvage sale. For this reason the sales allowance is a correct charge to GCP and should be taken up by GCP as a charge to 40.23 Spoilage.

The basis for a TEP charge to GCP is the actual credit allowed the customer by TEP.

Credits for merchandise returned should not be confused with Sales Allowances, which are recorded as charges to 40.23 Spoilage, but should be reflected on both TEP and GCP books as negative (red) sales. Costs of such return merchandise would be automatically adjusted when costs of sales are completed at the end of each month.

Charges to account 40.23 Spoilage, that represent credits to TEP for spoiled or damaged merchandise should be recorded from a monthly TEP voucher in the General Ledger and the Subsidiary Expense Ledger rather than the Commodity Ledger as no quantities which affect the inventory account will be involved. For this reason General Ledger account 40.23 Spoilage will control detail in both the Commodity Ledger and the Expense Ledger. See also comments under "Commodity Ledger" and "Expense Ledger."

40.24a Storage and Handling, and 40.24b Undistributed Storage and Handling Clearing Account. These are nominal accounts provided to record all program expenses not properly chargeable to other 40. expense accounts as provided on the chart of General Ledger accounts. As no other account has been provided for recording disbursements for fixed assets, it will be necessary to record such purchases made subsequent to February 29, 1944 as an expense in one of these accounts. It appears desirable to record in separate accounts those items which can be identified with a specific commodity and those items which are of a more general character and must necessarily be distributed by commodity code on an arbitrary basis. It is understood that the larger items of expense are paid on a weekly basis so that failure to accrue all expenses incurred during the period would not materially affect operating costs with respect to the GCP program as a whole. It does not now appear to be desirable to accrue all expenses, because of the large number of entries which would have to be made in the Expense Ledger. It is desirable, however, that any items of material amount be set up as an account payable even though no actual invoice has been received. Any necessary adjustment resulting from certification of an amount other than originally set up could be charged to 40.24b Undistributed Storage and Handling Clearing Account so that detail adjustments by commodity code would not have to be made in the Expense Ledger.

All items which can be identified by commodity code should be charged directly to 40.24 Storage and Handling and at the same time recorded in the appropriate account of the Expense Ledger or Commodity Ledger. Other storage and handling expense should be originally charged to 40.24b Undistributed Storage and Handling Clearing Account. At the close of each month a Journal Voucher should be prepared to transfer amounts accumulated in 40.24b Undistributed Storage and Handling Clearing Account to account 40.24a Storage and Handling. Such voucher would be supported by a schedule reflecting a distribution of the total amount by four digit commodity code. The basis of distribution, which should also be shown on the schedule, may be

determined at that office. It is possible that the cost of commodities sold may be used to distribute certain items while inventory valuation may be more appropriate in the case of other expenses.

Posting media for these accounts may be:

- (1) Journal voucher setting up the liability for accrued expenses on which no invoice has been received.
- (2) A disbursement voucher from the vendor or creditor which must be recorded prior to audit and certification because of the necessity of including the expense in current months reports. In this case the contra credit would be to Accounts Payable.
- (3) The accounting copy of disbursement vouchers which, after audit and certification, are credited to 29.12 Continental Control Account, if not previously recorded as a liability.
- (4) The monthly Journal Voucher reflecting the transfer from the Undistributed Storage and Handling Clearing Account to account 40.24a Storage and Handling.
- (5) A monthly Journal Voucher whereby account 40.24a Storage and Handling is closed into account 29.12 Continental Control Account.

40.25a Transportation, and 40.25b Undistributed Transportation Clearing Account. These nominal accounts are to be charged with transportation and the cost of such protective services as may be invoiced by carriers. The method of recording such expenses will be similar to that used in recording storage and handling expenses.

40.27 Shrinkage in Volume is a nominal account. This account and the subsidiary Expense Ledger will be posted monthly from a Journal Voucher prepared from detail in the Commodity Ledger. See comments under the caption "Commodity Ledger." This account is provided to record the cost of that quantity of a commodity as may represent loss of weight, volume, etc., if not due to spoilage and if such loss was determined prior to sale. Where sale has been recorded and it is necessary to issue a credit memo

(2) Dispositions

- (a) Units in terms of packages.
- (b) Net weight in lbs. (or other unit specified in the Schedule of Quotations).
- (c) Cost value (using average unit cost).
- (d) Sales value (of quantity sold).

(3) Balance

- (a) Units in terms of packages.
- (b) Net weight in lbs. (or other unit specified in the Schedule of Quotations).
- (c) Cost value at average cost.
- (d) Average unit cost in terms of pounds, or other unit specified in the Schedule of Quotations (computed at beginning of a month by dividing cost value balances by units balance).

It is suggested that the Commodity Ledger reflect units in terms of packages as well as net pounds because it is assumed that sales will continue to be made in terms of packages rather than net pounds. The net pounds, however, are required in the computation of transfers and for reporting purposes under GCP. Note that the last column provides for the average unit cost in terms of pounds for use in determining cost of sales and other dispositions.

As described above, the Commodity Ledger would serve as a consolidated record for the following subsidiary ledgers:

Inventory of Commodity

Cost of Commodities Sold

Sales

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Accounting Operations
Sheet 10 TEP and GCP Programs

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With respect to "Sales", it will be noted that the "Sales Value" column will reflect the following information:

- (1) Details of TEP sales (quantity and value at TEP sales prices and quantity of GCP sales to TEP).
- (2) Details of GCP direct Army or Navy sales.
- (3) Details of amounts recovered by GCP on damaged or salvage merchandise. This will be credited to 40.23 Spoilage.
- (4) GCP sales to TEP will be reflected only in monthly totals by commodity code as explained in a subsequent paragraph. Total GCP sales for any specific commodity code could be computed from monthly totals by type of disposition.

The Commodity Ledger will be used to furnish all information for those reports required to be submitted by seven digit commodity code. Each of the major headings on the Commodity Ledger may be further explained as follows:

- (1) Acquisitions. The original inventory acquisition will be the TEP inventory which is to be transferred to GCP as of February 29, 1944. Note that the value at which same is to be recorded will be determined by the Commodity Accountability Section. The difference between the value to be credited to TEP and the value at which the inventory is to be recorded on the Honolulu GCP records will be accounted for by the Program Accounting Section in New York. See pro forma journal entry No. 1 Finance Instruction 561.1, Section II, part C.

Until advised to change this procedure, subsequent acquisitions may be recorded from an Abstract of Commodities Received to be prepared at that office for each vessel received or a Steamer Loading Control from the Western Regional office. This Abstract of Commodities Received should be prepared in an original and at least two copies based on ocean bills of lading, shipping manifests, and other documents forwarded from the Western Regional office. The Abstract of Commodities Received should reflect the following information:

1. Vessel number

to TEP or a customer, such loss will be recorded as a charge to 40.23 Spoilage as described in other sections. It does not appear to be advisable to try to distinguish between spoilage and shrinkage in volume when the charge is based upon a credit memo issued to the dealer.

50.10 Sales is a nominal account provided to record all sales except for damaged or spoiled merchandise whether made through TEP or directly to another fund or to the Army or Navy. All direct sales will be posted from accounting copies of sales invoices at the time the sale was made. Sales to TEP will be recorded monthly from the billing copy of Standard Form 1034 which is to be prepared from information in the Commodity Ledger supported by copies of the TEP Confirmation and Invoice of Sale.

60.11 Accounts Payable - Vendors. As in the case of Accounts Receivable, it is necessary to make three classifications of Accounts Payable in order to conform to accounting classifications prescribed for the Program Accounting Section. Accounts Payable - Vendors is provided to reflect liability for commodities purchased locally. As local commodity purchases are comparatively few and are generally made on a cash basis it is possible that this account will not be required except when commodities have been purchased toward the close of a month when payment could not be made in the same period.

60.12 Accounts Payable - Other is provided to reflect the liability to miscellaneous creditors for program expenses applicable to GCP except when the amount is payable to TEP or another fund.

It appears to be unnecessary to distinguish between "Accounts Payable" and "Accrued Expense" unless the amount of accrued expenses at the end of a particular period is to be estimated in lump sum instead of individually accrued for each creditor. In the latter case one of the undistributed expense clearing accounts would be charged and accrued expense credited. The expense clearing account would, of course, be closed to 40.24a Storage and Handling or 40.25a Transportation as described under descriptions of those accounts.

If, however, unvouchedered expenses at the end of any particular month are relatively small, it appears desirable to set up individual accounts payable for only the larger items based on vendors invoices or estimates for specific items. This General Ledger Account should control a subsidiary ledger.

60.18 Accounts Payable - Funds is provided to reflect amounts due to appropriated funds for disbursements made from another fund which are applicable to GCP. Ordinarily the credit posting to this account will be made from a disbursement voucher prepared as a TEP billing to GCP at the close of the month when same could not be certified for payment during the period in which the service was received. The contra account on TEP or other fund records should be in agreement with this account when monthly trial balances are prepared.

60.21 Accrued Expense - Transportation

60.22 Accrued Expense - All Other. These accounts will be required only if it is found to be desirable to record accruals on a lump sum basis at the close of each month to be immediately reversed as of the first of the following month. See comments on account 60.12 Accounts Payable - Other and comments in paragraph I B 2, entries Nos. 8 and 9.

b. Commodity Ledger

It now appears that certain records can be consolidated in a single Commodity Ledger to be maintained on Standard Form No. 1016 with separate new sheets for each commodity in the inventory by the new seven digit commodity code as presented in the Schedule of Quotations issued by the Quotations Section for the month of February, 1944.

Suggested columnar headings for this ledger are as follows:

(1) Acquisitions

(a) Units in terms of packages.

(b) Net weight in lbs. (or other unit specified in the Schedule of Quotations).

(c) Cost value.

2. Date shipped from Continent
3. Date received
4. Details of commodities received as follows:
 - a. Commodity code (seven digits)
 - b. Quantity in terms of units as ordinarily sold (packages)
 - c. Quantity in terms of net pounds or other unit specified in the Schedule of Quotations
 - d. Price per net pound (or other unit specified in the Schedule of Quotations) in accordance with schedule of cost prices as sent to you from the Commodity Accountability Section. Such prices represent the average cost of commodities in the Continental inventory as at February 29, 1944 and will be used by that office until advised of new average cost prices to be computed after the February 29, 1944 continental inventory has been disposed of. In cases where commodities are received for which no cost prices are listed, it will be necessary to cable the Commodity Accountability Section in Washington.
 - e. Value of commodities received at prices set forth in paragraph d, above.

A copy of the Abstract of Commodities Received should be forwarded to the Program Accounting Section in New York attached to a Document Transmittal, Form FDA-507, where it will be used to relieve Inventory in Transit to Hawaiian Area and as a basis of the charge to the Hawaiian Control Account.

At a future date it is contemplated that the Commodity Accountability Section in Washington, D. C. will prepare a Register of Commodities Shipped to the Hawaiian Area or the Western Regional Office will prepare a Steamer Loading Control reflecting values of commodities shipped which will be used as a posting media instead of the Abstract of Commodities Received as described above.

The Abstract of Commodities Received should be recorded in accordance with pro forma journal entry 3 as set forth in the Finance Instruction 561.1, Section II part C, except that in case of a shortage in quantity an additional General Ledger account "20.11 Inventory Adjustment Account" may be charged for quantities not actually received pending further verification. The use of an Inventory Adjustment Account has been authorized in order to avoid posting detail sheets in the Commodity Ledger when the items were not actually received. It is assumed that any charges to this account will be the subject of further investigation until the carrier or another office is properly charged.

(2) Dispositions. All dispositions of commodities should be recorded on the Commodity Ledger at the time title passes from GCP to TEP, the Army or Navy or to dealers in the case of damaged or short measure merchandise. It is believed the posting media should be a copy of the Confirmation and Invoice of Sale whether used as the invoicing medium for TEP sales or for GCP direct sales. The following detail procedure is suggested:

(a) Dispositions of various types should be identified by an appropriate symbol opposite the sales value so that monthly summaries can be prepared by commodity code to reflect the following:

TEP sales

GCP sales to Army or Navy

GCP sales of damaged or spoiled merchandise

Loss through shrinkage

(b) Sales would be recorded directly from a copy of the Confirmation and Invoice of Sale by recording the quantity sold in the terms actually used in making the sale (quantity in terms of packages) and the actual sales value followed by a symbol indicating the type of sale.

(c) At the close of each month the quantity (in terms of packages) and the sales value would be totaled by type of disposition as described in item (1) above. The quantity in terms of packages for each type of sale would then be converted to net pounds and inserted in the proper column. The average cost value would be computed by using the average unit (pound) cost determined by adding quantities and values in the inventory as of the close of the preceding month to quantities and values of acquisitions during the month and dividing the total value by the total number of units.

For TEP sales it would be necessary to reflect two values. One would be the TEP sales value obtained by addition of detail sales and the other would be a computed value representing GCP sales to TEP. The latter sales value would represent the product of the number of units sold in terms of net pounds at prices in the applicable Quotations Section Price Bulletin.

(d) Dispositions as summarized by types would then be totaled in order to obtain balances on hand at the end of each month.

The monthly summarization of disposition on each sheet of the Commodity Ledger may be illustrated as follows:

Packages (a)	Pounds (b)	Dispositions		
		Value at Av. Cost (c)	Sales Value (d)	(e)
<u>Summary 3/31/44</u>				
TEP Sales	(1)	(10)	(16)	(2)
GCP Direct Sales	(3)	(11)	(17)	(4)
Total Sales	(8)	(12)	(18)	(22)

	<u>Dispositions</u>				
	Packages	Pounds	Av. Cost	Value at Sales	
	(a)	(b)	(c)	(d)	(e)

Summary 3/31/44

Spoilage	(8)	(13)	(19)	(6)	(6)
Shrinkage in Volume	(7)	(14)	(20)	—	—
Total Dispositions	(9)	(15)	(21)		(24)

All dispositions during the month will have been recorded from TEP or GCP sales invoices or memorandum notices of spoilage or shrinkage in volume. Invoices and the postings therefrom will reflect units in terms used in making the sale and the sales value. These amounts will be reflected in columns (a) and (d).

At the close of the month items (1) to (9) inclusive will be obtained by addition of detail postings during the month. Items in column (b) numbers (10) to (15) inclusive will be determined by conversion of the quantities reflected in column (a). The cost of dispositions, items (16) to (21) inclusive will be obtained by multiplying the quantities in column (b) by the average unit (pound) cost as determined by adding quantities and values of the balance at the end of the preceding month to the quantities and values received during the current month. This unit price will be reflected in the last column on the Commodity Ledger sheet.

The selling values of GCP direct sales, item (4), and any coverage on the sale of damaged or spoiled merchandise, item (6), should be extended to column (e). The GCP sales value of commodities sold through TEP, item (22) should then be computed at prices contained in the applicable Schedule of Quotations.

After summarizing dispositions as described above the Commodity Ledger becomes the basis of a monthly billing to TEP as well as the source of information for a monthly Journal Voucher whereby inventory on the General Ledger may be relieved of dispositions during the month.

It is recommended that information on individual Commodity Ledger sheets be summarized on columnar work paper for use in the preparation of Journal Vouchers and reports with columnar headings as follows:

Commodity Code (seven digit)

Acquisitions--

Net pounds

Cost

Dispositions--

TEP Sales--

Quantity in terms of packages, item (1)

Net pounds, item (10)

TEP sales value, item (2)

GCP sales value, item (22)

GCP Direct Sales--

Net pounds, item (11)

Sales value, item (4)

Total GCP Sales--

Net pounds, item (10) plus item (11)

GCP sales value, item (22) plus item (4)

Spoilage--

Net pounds, item (13) (not necessarily required)

Cost, item (19)

Recovery, item (6)

Shrinkage in Volume--

Net pounds, item (14) (not necessarily required)

Cost, item (20)

Total Dispositions--

Net pounds, item (15)

Cost, item (21)

Balance--

Net pounds

Cost

Average unit cost.

Cost of Spoilage, item (19); the recovery thereon, item (6); and cost of shrinkage in volume, item (20) would necessarily have to be summarized by four digit commodity code in order to prepare a journal voucher for recording in the Expense Ledger.

(3) Balance

The balance columns should be computed monthly.

c. Expense Ledger

With reference to the Chart of General Ledger Accounts to be maintained for GCP, it will be noted that expenses are to be classified as follows, by as many digits of the commodity code as is possible:

40.21 Demurrage

40.23 Spoilage

40.24 Storage and Handling

40.25 Transportation

40.27 Shrinkage in Volume

It is doubtful if any demurrage will be incurred on the Islands. Protective services could properly be classified as either Storage and Handling or Transportation. If protective service is payable to carrier it is to be charged to Transportation. In other cases such expense would be chargeable to Storage and Handling.

Although spoilage and shrinkage in volume will be recorded by seven digit commodity code in the Commodity Ledger, a Journal Voucher will have to be prepared to record these items of expense in the General Ledger and in the Expense Ledger.

A relatively small four to six column ledger sheet may be used for the Expense Ledger. A separate sheet should be provided for each of four digits of the commodity code. Each sheet would reflect for a particular four digit code the details of the following General Ledger accounts:

- 40.23 Spoilage
- 40.24 Storage and Handling
- 40.25 Transportation
- 40.27 Shrinkage in Volume

Posting media for the Expense Ledger should be the same basic documents which are used as posting media to the above General Ledger accounts.

In the description of account 40.24 Storage and Handling it was described how various expenses were to be allocated to specific four digit commodity code.

Although General Ledger nominal accounts are to be closed out monthly to account 29.12 Continental Control Account, the Expense Ledger accounts should merely reflect monthly sub-totals and cumulative totals from March 1, 1944 to the date of the report.

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General and Subsidiary Ledgers

Accounting Operations

Sheet 14 TEP and GCP Programs

Finance Letter No. 23
Procedural Classifications
561, 562, 563, 518, 523
I.B.(Cont.)

2. Procedure

References herein to pro forma journal entries 1 to 15 inclusive will relate to the pro forma accounting entries set forth in Finance Instruction 561,1, Section II, part C.

As previously stated, any charge or credit to General Ledger account 29.12 Continental Control Account should be supported by a Document Transmittal, Form FDA-507. If such transmittal is not received from another office, one should be prepared in the usual manner at the Honolulu Finance Office.

Whenever a posting is made to a General Ledger control account as described in paragraph I,B,1,a the detail thereof should be posted to the applicable subsidiary ledger account although procedure described hereunder may not refer to such subsidiary ledger.

Entry No. 1 - Transfer of Inventory

Dr. 20.12 Inventory - Hawaiian

Cr. 29.12 Continental Control Account

A copy of your February 29, inventory has already been returned to you reflecting the estimated commodity cost value at which it should be recorded on your GCP records. Totals should be recorded on the General Ledger directly from a Journal Voucher supported by a copy of the inventory. Details by commodity code should be posted to the "Acquisitions" column of the Commodity Ledger.

Entry No. 2 Local Commodity Purchases

Dr. 20.12 Inventory - Hawaiian

Cr. 60.18 Accounts Payable - Funds - 12x0108 TEP

This entry is based on the assumption that the purchase was made with TEP funds and, although it could be recorded from receiving reports, it appears desirable that the GCP accounting copy of the TEP billing voucher be used as the posting media. Such a voucher would be prepared as described in the introduction of this procedure and would be properly supported by receiving reports.

Ordinarily it appears desirable that local commodity purchases and program expenses be made directly by GCP and recorded only on those books.

Entry No. 3 Transfers of Commodities from the Continental Stockpile

Dr. 20.12 Inventory - Hawaiian

Cr. 29.12 Continental Control Account

It is anticipated that in the future the Commodity Accountability Section will prepare a Register of Commodities Shipped to the Hawaiian Area or that the Western Regional Office will prepare a Shipping Manifest reflecting values which would become the posting media for the transaction. For the present, however, due to the volume of accumulated transactions and the procedure being used by the Commodity Accountability Section, it will be necessary for the Honolulu Office to prepare an Abstract of Commodities Received and use same as support for a Journal Voucher. Paragraph I, B, 1. b, herein relating to commodity acquisitions.

Entry No. 4 Credits to Inventory (Cost of Sales and Losses)Dr. 40.10 Cost of Commodities Sold
40.27 Shrinkage in Volume

Cr. 20.12 Inventory - Hawaiian

The General Ledger may be posted monthly from a single Journal Voucher prepared from the summary of dispositions reflected in the Commodity Ledger. See paragraph I, B, 1. b (2) relating to computations of cost of sales and inventory losses due to damage, spoilage or shrinkage. Note that cost of commodity losses due to spoilage and shrinkage in volume would also be posted to the Expense Ledger at the same time and from the same Journal Voucher used to post the General Ledger.

If the work sheet summarization of inventory dispositions, as described in the Section referred to above, were typed in a sufficient number of copies it could be used in support of the Journal Voucher.

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General and Subsidiary Ledgers

Sheet 15 Accounting Operations
 TEP and GCP Programs

Finance Letter No. 23
Procedural Classifications
561, 562, 563, 518, 523
I.B.2(Cont.)

Entry No. 5 Sales to TEP

Dr. 10.18 Accounts Receivable - Funds - 12x0108 TEP

Cr. 50.10 Sales.

A single monthly billing voucher, Standard Form 1034 may be prepared to be used as the General Ledger posting media. Such vouchers should be prepared in an original and three copies as described in the Introduction of this memorandum and should be supported by a schedule reflecting by seven digit commodity code the sales to TEP and by copies of TEP Confirmation and Invoice of Sale.

If the work sheet summarization of inventory dispositions as described in the last part paragraph I, B, 1, b(2) were typed in sufficient copies it could be used in support of the billing voucher, Standard Form 1034.

Copies of the TEP Confirmation and Invoice of Sale may not be required but could be used to support the quantity (in terms of packages) sold to TEP. Delivery notices could also be used and may be preferable to a copy of the TEP Confirmation and Invoice of Sale but they would necessarily have to be identified as being applicable to sales made through TEP.

Note that GCP direct sales to the Army, Navy, or to Section 32 for the School Lunch Program would be recorded in the General Ledger and Commodity Ledger at the time the sale took place from the accounting copy of the GCP invoice.

Entry No. 6 - Credit to Inventory for Loss Due to Spoilage

Dr. 40.23 Spoilage

Cr. 20.12 Inventory - Hawaiian

As in the case of Entry No. 4 above, a monthly Journal Voucher reflecting commodity dispositions at cost should be the media for recording loss due to spoilage.

Note that General Ledger account 40.23 Spoilage and the related Expense Ledger Accounts are also to be charged for losses disclosed after original sale has taken place. See applicable comments in paragraph I, B, 1.a account 40.23 Spoilage.

Entry No. 7 Recovery on the Sale of Damaged or Spoiled Merchandise

Dr. 10.12 Accounts Receivable - Other

Cr. 40.23 Spoilage

Posting Media: Invoices

As in the case of GCP direct sales the posting media will be the accounting copy of an invoice but the credit should be to account 40.23 Spoilage instead of 50.10 Sale.

Entry No. 8 Accruals at End of Month

Dr. 40.24 Storage and Handling

40.25 Transportation

Cr. 60.21 Accrued Expense - Transportation
60.22 Accrued Expense - All Other

Entry No. 9 Reversal of Accrued Expenses at Beginning of Following Month

Dr. 60.21 Accrued Expense - Transportation
60.22 Accrued Expense - All Other

Cr. 40.24 Storage and Handling
40.25 Transportation

Posting Media: Journal Voucher

The method of recording expenses for the period on which no invoice or voucher has been received was discussed under account 40.24 Storage and Handling, paragraph I, B, 1.a. If it appears desirable to accrue expenses on an overall estimated basis without regard to any particular creditor, then it is believed to be desirable to use the undistributed clearing accounts as contra to the Accrued Expense liability accounts when setting up the liability at the close of a month but the reversing entry at the beginning of the subsequent month would have to be directly to accounts 40.24 a Storage and Handling, or 40.25 a Transportation, as it would be necessary to make the reversal in the Expense Ledger on the same basis as the original charge. In other words, it would not be satisfactory to credit the undistributed clearing account

at the beginning of the subsequent month and then distribute the net expense by commodity code on a basis of sales in such subsequent month which may be entirely different from sales of the previous month and which may have been used to distribute the original charge.

Entry No. 10 Liquidation of Previously Recorded Amounts Due to TEP

Dr. 60.18 Accounts Payable - Funds 12x0108 TEP

Cr. 29.12 Continental Control Account

Until arrangements have been completed for the Finance Officer in Honolulu to certify GCP vouchers, it will be necessary to prepare Standard Form 1034 as a TEP billing document (see Introduction of this memorandum) and forward the original and at least one copy to the Western Regional Office for certification. Upon certification the Western Regional Office should forward a Document Transmittal, Form FDA-507 which, supported by a copy of the Schedule of Disbursements, would then become the basis of the above entry. The "accounting copy" of the voucher would have been used as the posting media whereby the liability was originally recorded. Note that it has been established procedure to record disbursements on a certified basis so that it would be incorrect to effect a liquidation at the time the voucher is forwarded to the Western Regional Office. Although the voucher would be forwarded to the Western Regional Office by a document transmittal same would not be prepared for recording on any records.

When the Finance Officer at Honolulu becomes a Certifying Officer for GCP it will not be necessary to record disbursement vouchers as Accounts Payable except when same could not be certified for payment in the month in which the service was received.

It is assumed that liabilities for commodities purchased and program expenses incurred will be recorded in the first instance on GCP records rather than TEP records where it would be necessary to record additional inter-fund transactions.

Entry No. 11 - Payment of Expense Not Previously Recorded

Dr. 40.24 Storage and Handling
40.25 Transportation

Cr. 29.12 Continental Control Account

Until the Finance Officer at Honolulu has received authority to certify GCP vouchers it is doubtful if this entry will be required. When GCP vouchers are being verified and scheduled at that office the above entry could be used providing it was not necessary to record a liability in Accounts Payable as of the previous month.

Entry No. 12 - Collections on Sales made by TEP

Dr. 29.12 Continental Control Account

Cr. 10.18 Accounts Receivable Funds - 12x0108 TEP

Entry No. 13 - Collections for Direct and Salvage Sales

Dr. 29.12 Continental Control Account

Cr. 10.12 Accounts Receivable - Other

Accounts Receivable should be credited as soon as collection is received at the Honolulu Finance Office and therefore a copy of the Document Transmittal, FDA-507, prepared at that office as a medium for forwarding the collection to the Washington office should be used as the basis of the above entries. The office copy of such transmittal may be supported by copies of receipts or other advice. A copy of Form FDA-507 should be forwarded to Program Accounting Section.

Entry No. 14 and 15 - Monthly Closing Entries

These entries are believed to be self explanatory. It should be noted, however that detail Expense Ledger accounts are not to be closed out in the usual manner. These accounts should reflect monthly subtotals immediately followed by cumulative totals to facilitate reporting.

Although the above entries do not illustrate all transactions which must necessarily be recorded on GCP books it is believed that explanations in other sections of this memorandum are sufficiently clear that no difficulty will be encountered.

Finance Letter No. 23
Procedural Classifications
561, 562, 563, 518, 523
I.B.(Cont.)

Entry No. 16 Sales Allowances for Salvaged or Spoiled Com-
modities

Dr. 40.23 Spoilage

Cr. 10.11 Accounts Receivable - Vendors

or

Cr. 60.18 Accounts Payable - Funds

Posting media Sales Allowances Made to Customers of GCP would be the accounting copy of a credit invoice. The posting media for Sales Allowances to TEP will be a monthly TEP billing voucher supported by copies of the credit memos issued by TEP to its customers.

3. Reports

The monthly operating reports to be submitted to the Program Accounting Section should be in the suggested forms presented herein as Exhibits A, B, and C.

II. WESTERN REGIONAL FINANCE OFFICE

A. TEP Fund Books and Records

The Western Regional Finance Office will continue its present TEP records approximately the same as formerly. Upon receipt of GCP checks payable to TEP, they should be deposited to the credit of TEP Appropriation 12x0108 and recorded on the General Ledger as follows:

Dr. 03.32 Disbursing Officer's Cash - Receipts and Repayments

Cr. 47. Inter-Office Cash Control

A Document Transmittal, Form FDA-507, should be prepared in the usual manner. The original, supported by a copy of the Schedule of Collections, will be forwarded to Honolulu to enable that office to credit TEP accounts receivable and liquidate GCP accounts payable.

B. Procedure for GCP

1. Shipment of Commodities

The Finance Office will request Shipping and Storage to prepare the Steamer Loading Control in at least four additional copies with sufficient space on the right-hand side for the addition of columns to reflect unit price and value. It is also assumed that the commodity code will be furnished as part of the description. These additional copies of the Steamer Loading Control will be immediately routed to the Finance Office for processing as follows:

(a) One copy will be used as a work sheet on which the following additional information will be inserted for typing on the remaining copies:

- (1) Total quantity shipped (unit packages and net pounds) by commodity code number.
- (2) Insert opposite each total the unit price and value of commodities shipped. Note that the price per pound (or other unit specified in the Schedule of Quotations) is to be in accordance with the applicable schedule of cost prices as furnished by the Commodity Accountability Section in Washington. In case commodities are shipped for which no cost prices are listed, it will be necessary to wire the Commodity Accountability Section.

(b) Type information described in (a) above on the remaining copies of the Steamer Loading Control and distribute as follows:

- (1) Two copies to Finance Officer in Honolulu.
- (2) One copy to the Program Accounting Section in New York.
- (3) Work sheet copy to be retained in the Finance Office files.

The Finance Officer in Honolulu will use the priced copy of the Steamer Loading Control to record acquisitions as described in paragraph I, B, 1.b (1). In this case it will not be necessary for the Honolulu office to forward a copy to the Program Accounting Section as the latter office can be advised of the receipt of the commodities by reflecting the vessel number and date of receipt. Such advice should be in the form of a Document Transmittal reflecting a credit to the Continental Control Account.

2. Certification of GCP Disbursement Vouchers

GCP disbursement vouchers for commodities purchased and program expenses incurred in the Territory of Hawaii will be reviewed in the Honolulu office to determine that all necessary supporting documents are attached. The original and audit copy of such vouchers will then be forwarded to the Western Regional Finance Office as explained in the Introduction.

Administrative and Program Accounting
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Sheet 18 TEP and GCP Programs

The Western Regional Finance Office will certify and schedule the vouchers for payment by the Federal Reserve Bank in San Francisco, to be charged to the account of CCC. The Schedule of Disbursements, Standard Form 1064, should be prepared in an original and five copies for distribution as follows:

- (a) Original and two copies to the Federal Reserve Bank in San Francisco, properly identified as to office to which each copy is to be forwarded in accordance with current procedure.
- (b) One copy to be forwarded to the Honolulu office, covered by Document Transmittal reflecting the entries to be recorded by the offices involved as follows:

Program Accounting Section

Dr. 29.12 Hawaiian Control Account

Cr. 60.31 Drawing Account with CCC

Honolulu Office

Dr. 60. Accounts Payable (to be completed by the Honolulu Office)

Cr. 29.12 Continental Control Account

- (c) One copy, covered by a copy of the Document Transmittal described in (b) above, to the Program Accounting Section.
- (d) One copy to be retained in the Western Regional Finance Office.

GENERAL COMMODITIES PURCHASE PROGRAM
OF THE COMMODITY CREDIT CORPORATIONOPERATING STATEMENT FOR THE MONTH OF _____
AND FOR THE PERIOD MARCH 1, 1944 TO _____, INCLUSIVEHAWAIIAN OPERATIONS

	For the Month	For the Period
Sales	\$	\$
Cost of Commodities Sold	<hr/>	
Gross Profit	\$	\$
 Deduct - Expenses:		
Demurrage	\$	\$
Spoilage		
Storage and Handling		
Transportation		
Shrinkage in Volume		
Total Expenses	<hr/>	<hr/>
 Net Profit or (Loss)	<hr/>	<hr/>

Prepared by:

Finance Division
Office of Distribution
War Food Administration

Date:

Finance
Proced
561,

GENERAL COMMODITIES PURCHASE PROGRAM
OF THE COMMODITY CREDIT CORPORATION

EXPENSE DISTRIBUTION FOR MONTH OF
AND FOR THE PERIOD MARCH 1, 1944 TO _____, INCLUSIVE

HAWAIIAN OPERATIONS

DEMURRAGE FOR THE MONTH	FOR THE PERIOD	SPOILAGE		STORAGE AND HANDLING		TRANSPORTATION		SHRINKAGE IN VOLUME	
		FOR THE MONTH	FOR THE PERIOD	FOR THE MONTH	FOR THE PERIOD	FOR THE MONTH	FOR THE PERIOD	FOR THE MONTH	FOR THE PERIOD
						\$	\$	\$	\$

T COMMODITY CODE

Administrative and
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Accounting Open
TEP and GCP I

GENERAL COMMODITIES PURCHASE PROGRAM
OF THE COMMODITY CREDIT CORPORATION

OPERATING STATEMENT FOR MONTH OF
AND FOR THE PERIOD MARCH 1, 1944 TO , INCLUSIVE

HAWAIIAN OPERATIONS

COMMODITY CODE	SALES		COST OF SALES MONTH PERIOD	GROSS PROFIT MONTH PERIOD	EXPENSES (Exhibit C) MONTH PERIOD	NET PROFIT MONTH PERIOD
	NET WEIGHT MONTH	AMOUNT MONTH PERIOD				

BY SEVEN DIGIT COMMODITY CODE